



City Council Meeting Agenda

Monday, November 2, 2020 - 7:00 PM
Cologne Community Center, 1211 Village Parkway

Vision Statement

The City of Cologne is a vibrant small town that respects its heritage, embraces its future and offers a high quality of life for all who live, work and visit our community.

Mayor: Matt Lein
Councilmember: Carol Szaroletta
Councilmember: Sarah Bruss
Councilmember: Rachel Lenzen
Councilmember: Nathan Kells

NOTE: AGENDA ITEMS ARE APPROXIMATE AND SUBJECT TO CHANGE ACCORDING TO LENGTH OF DISCUSSION. TO ENSURE THAT YOU ARE PRESENT FOR ITEMS OF INTEREST, PLEASE ARRIVE AT 7:00 PM.

1. CALL MEETING TO ORDER & ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. ADOPT AGENDA
4. VISITOR'S PRESENTATIONS, PETITIONS, CORRESPONDENCE
5. ADOPT CONSENT AGENDA

Items listed below are considered routine and non-controversial by the Council. There will be no separate discussion of these items unless requested by a Councilmember, Staff or Citizen. If removed, the item will be discussed at the end of the regular agenda.

- a. October 19, 2020 City Council Minutes
- b. October 26, 2020 Special City Council Meeting Minutes
- c. November 2, 2020 Check Summary Register
- d. October 27, 2020 Payroll Summary

e. 2021 Prosecution Contract

6. COUNCIL BUSINESS

- a. Scott Loomis – Construction Hours Extension Request**
- b. Cable TV Franchise Agreement**
 - i. Ordinance No 169 Metronet Franchise Agreement**
 - ii. Ordinance No 170 Nuvera Franchise Agreement**
- c. Baker Tilly Water, Sewer, Stormwater Rates Study**
- d. 218 Lake Street W IUP Non-Compliance**

7. BOARD REPORTS

8. ANNOUNCEMENTS

9. ITEMS REMOVED FROM THE CONSENT AGENDA

10. ADJOURN

CALENDAR OF EVENTS/MEETINGS

November 11	Wednesday	Veteran's Day - OFFICES CLOSED
November 16	Monday	7:00PM City Council Meeting
November 26-27	Thurs/Fri	Thanksgiving - OFFICES CLOSED
December 7	Monday	6:00PM Planning Commission Meeting
December 7	Monday	7:00PM City Council Meeting



City Council Meeting Minutes

Monday, October 19, 2020 - 7:00 PM
Cologne Community Center, 1211 Village Parkway

Vision Statement

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1. CALL MEETING TO ORDER & ROLL CALL

Mayor Lein called the meeting to order at 7:00 PM. Councilmembers Bruss, Kells, Lenzen and Szaroletta were present. Also present were City Administrator – Jesse Dickson, City Clerk – Michelle Morrison and City Planner, Cindy Nash.

2. PLEDGE OF ALLEGIANCE

3. ADOPT AGENDA

Motion by Councilmember Kells to adopt the amended agenda with the removal of item F. Cable TV Franchise Agreement under Council Business, second by Councilmember Bruss. Motion carried unanimously.

4. VISITOR'S PRESENTATIONS, PETITIONS, CORRESPONDENCE

5. ADOPT CONSENT AGENDA

Items listed below are considered routine and non-controversial by the Council. There will

be no separate discussion of these items unless requested by a Councilmember, Staff or Citizen. If removed, the item will be discussed at the end of the regular agenda.

- a. October 5, 2020 City Council Minutes**
- b. October 19, 2020 Check Summary Register**
- c. October 13, 2020 Payroll Summary**
- d. Transfer of Inn Town Wine & Spirits Liquor Licenses**

Motion by Councilmember Lenzen to adopt the consent agenda, second by Councilmember Szaroletta. Motion carried unanimously.

6. COUNCIL BUSINESS

- a. Cologne Liquors LLC Off Sale Liquor Licenses Application and Cologne House Café On Sale Liquor Certification**

Administrator Dickson reviewed the city ordinance and state statute applicable to liquor license regulations with the Council. Jared and Jennifer Brewington introduced themselves to the Council, and spoke about their past restaurant ownership experiences, their current work in economic development for a nearby city, and commitment to develop the businesses in the community and help the downtown Cologne area thrive. Councilmembers Bruss and Lenzen shared concern about the addition of a 2nd liquor store in the small community. Administrator Dickson clarified that the number of Off Sale Liquor Licenses was not increasing, the Inn Town Restaurant had both on and off sale licenses, the new Cologne House Café at the location will only have an On Sale Certification and is operating the Off Sale License at the Cologne Liquors LLC location. Councilmember Kells stated that as a growing community he sees no problem with the request. Councilmember Kells made a motion to approve both the Off Sale and On Sale Liquor Requests subject to receipt of the background checks from Carver County and payment of all Licensing Fees, second by Councilmember Szaroletta. Motion passed 3-2. Councilmembers Bruss and Lenzen voting against.

- b. Winkler Crossing 3rd Addition Final Plat**
 - i. Resolution 20-23 Approving Winkler Crossing 3rd Addition**
 - ii. Collaborative Planning Staff Report 10-19-20**
 - iii. B&M Staff Memo 10-15-20**
 - iv. Collaborative Planning Staff Memo 9-3-20**
 - v. Winkler Crossing 3rd Addition Final Plat**

City Planner, Cindy Nash, updated the Council on discussions with Loomis Development around the Final Plat. Agreement had been reached on park dedication

with a parking lot that will have water and sewer stubbed in for a future public bathroom. Ms. Nash reviewed the document and recommended the City approve the final plat. Motion by Councilmember Bruss to approve Resolution 20-23 Approving Final Plat Winkler Crossing 3rd Addition with the discussed additional language in item #22 regarding park dedication and the addition of Exhibit B, second by Councilmember Lenzen. Motion carried unanimously.

- c. Winkler Crossing 3rd Addition Development Agreement**
 - i. Resolution 20-24 Approving Development Agreement**
 - ii. Winkler Crossing Developer's Agreement**

City Planner, Cindy Nash, updated the Council on discussions with Loomis Development on the Developer's Agreement for Winkler Crossing. Agreement had been reached on Section 3.05 concerning parkland dedication and recommended approval of Winkler Crossing Developer's Agreement. Motion by Councilmember Szaroletta to approve Resolution 20-24 Approving a Development Agreement for Winkler Crossing 3rd addition with the changes as discussed, second by Councilmember Lenzen. Motion carried unanimously.

- d. Public Works Building Renovation**

Motion by Councilmember Bruss to approve the Public Works Building Renovations bid from Vos Construction for \$14,000, second by Councilmember Szaroletta. Motion carried unanimously.

- e. Nick Joos, Fire Chief - Fire Department Air Packs**

Chief Joos provided an update to the Council on Fire Department activity noting that medical call volume is up since the Covid 19 Pandemic as people are foregoing regular doctor visits. Chief Joos told the Council that in the past few weeks, several neighboring fire departments have had discussion about the use of Cares funds to upgrade air packs for their departments. The department was planning on upgrading air packs in 2021 but is considering joining the other fire departments and buying the equipment through the HGAC Joint Purchasing Group with the Cares funds. He had received a quote of \$182,000. After discussion, Councilmember Bruss made a motion approving the purchase of air packs from Ultimate Safety Concepts at a cost not to exceed \$182,000 pending City Attorney approval of the HGAC contract, second by Councilmember Lenzen. Motion carried unanimously.

7. BOARD REPORTS

- a. September 2020 Sheriff Report**
- b. City Council Committees**

Councilmember Kells updated the Council on the project list that had been started prior to Covid 19 and virtual meetings and options on how to move forward.

c. Fitness Center Reopening Memo

City Administrator Dickson updated the Council on attempts to get additional bids for the drapery replacement for the Community Center. No other vendors were willing to bid the project. Motion by Councilmember Bruss to approve the bid for drapery replacement from Parties and Weddings Plus for \$8,015.00, second by Councilmember Lenzen. Motion carried unanimously.

City Clerk Morrison reviewed the plan to reopen the Fitness Center on October 26th offering a special for existing members to not be charged until Jan 15th and for new members to pay the initial sign up fee, but not be charged for membership until Jan 15th. The consensus of the Council was to move forward with the plan.

8. ANNOUNCEMENTS

9. ITEMS REMOVED FROM THE CONSENT AGENDA

10. ADJOURN

Councilmember Lenzen made a motion to adjourn at 8:48PM, second by Councilmember Kells. Motion carried unanimously.

Respectfully Submitted:

Attest:

Michelle M Morrison

City Clerk

Matt Lein

Mayor

City Council Special Meeting Minutes

October 26, 2020 - 5:00 PM

1. CALL MEETING TO ORDER & ROLL CALL

Mayor Lein called the meeting to order at 5:05 PM. Councilmembers Bruss, Kells, and Lenzen were present. Also present: City Administrator – Jesse Dickson and City Clerk – Michelle Morrison.

2. COUNCIL BUSINESS

Administrator Dickson informed the Council that he had received a payment request for the street project for \$741,458.57. Because it is such a large request, it was deemed appropriate to call a special meeting to pay the invoice rather than wait until November 3rd. Mayor Lein asked if any Councilmembers had any questions. There being no questions, Councilmember Bruss made a motion to approve the GMH Pay Request #5 for \$741,458.57, second by Councilmember Lenzen. Motion carried unanimously.

3. ADJOURN

Motion by Councilmember Bruss to adjourn at 5:07 PM, second by Councilmember Kells. Motion carried unanimously.

Respectfully Submitted:

Attest:

Michelle Morrison, City Clerk

Matt Lein, Mayor

CITY OF COLOGNE

*Check Summary Register©

Batch: 110220CR

Name	Check Date	Check Amt	
10100 Checking			
25686 AFLAC	11/2/2020	\$212.70	
25687 AMERICAN LEGAL PUBLISHING	11/2/2020	\$203.00	Update to Ordinance Book
25688 AUTOMATIC SYSTEMS CO.	11/2/2020	\$581.70	On Site Well Reporting Services
25689 BARGEN INCORPORATED	11/2/2020	\$2,925.00	Infrared Heats around Manholes
25690 BENTON TOWNSHIP	11/2/2020	\$13,617.50	Gravel 134th
25691 CARVER COUNTY	11/2/2020	\$25,273.25	2nd Half Police Contract
25692 CENTERPOINT ENERGY	11/2/2020	\$109.36	107 John Ave
25693 CINTAS	11/2/2020	\$122.80	PW Uniforms
25694 ECM PUBLISHERS, INC.	11/2/2020	\$166.32	Municipal Election
25695 HAWKINS, INC	11/2/2020	\$3,580.04	Chemicals
25696 HEALTH PARTNERS	11/2/2020	\$5,455.90	Employee Health Insurance - Nov
25697 JOHNSON FITNESS & WELLNES	11/2/2020	\$49,363.58	Replacement Equipment for Fitness Center aft
25698 JOSTAN SERVICES, INC.	11/2/2020	\$1,524.61	CCC Cleaning Oct
25699 LANO EQUIPMENT OF NORWOO	11/2/2020	\$493.80	PW Supplies
25700 LOFFLER-131511	11/2/2020	\$30.88	October Copy
25701 MN VALLEY ELECTRIC COOPER	11/2/2020	\$104.77	2140 N Village Pky
25702 MN VALLEY TESTING LABS	11/2/2020	\$314.00	Analysis
25703 NCPERS GROUP LIFE INS	11/2/2020	\$96.00	Nov Employee Life Insurance
25704 OVERLINE & SONS, INC.	11/2/2020	\$5,196.25	Vactor Services
25705 PLAGGE, TIM	11/2/2020	\$50.00	Deposit Refund
25706 QUALITY FLOW SYSTEMS, INC	11/2/2020	\$555.00	Pump Repair
25707 RANDYS SANITATION INC	11/2/2020	\$443.05	Cologne Lions Park
25708 THEIN WELL COMPANY INC.	11/2/2020	\$275.00	Annual Well & Pump Inspection
25709 WAGENER, DIANA	11/2/2020	\$219.12	Canceled COVID 19
25710 WATER CONSERVATION SERVI	11/2/2020	\$851.88	PW Water Leqak Location
25711 WICKENHAUSER EXCAVATING, I	11/2/2020	\$525.00	Hauling Compost
25712 WS&D PERMIT SERVICE	11/2/2020	\$81.00	Permit Cancelled
25713 XCEL ENERGY	11/2/2020	\$7,375.41	PW Maintenance Bldg
Total Checks		\$119,746.92	

FILTER: (([Act Year]='2020' and [period] in (11))) and (Source in ('110220CR'))

CITY OF COLOGNE

***Check Detail Register©**

Batch: 110220CR

Check #	Check Date	Vendor Name	Amount	Invoice	Comment
10100 Checking					
25686	11/02/20	AFLAC			
E 101-41400-130		Employer Paid Ins (GENE	\$41.52		
G 101-21705		Aflac	\$129.66		
E 602-49450-130		Employer Paid Ins (GENE	\$20.76		
E 601-49400-130		Employer Paid Ins (GENE	\$20.76		
		Total	\$212.70		
25687	11/02/20	AMERICAN LEGAL PUBLISHING CORP			
E 101-41910-310		Other Professional Servic	\$203.00	3594	Update to Ordinance Book
		Total	\$203.00		
25688	11/02/20	AUTOMATIC SYSTEMS CO.			
E 601-49400-312		Contractual Services	\$581.70	35397	On Site Well Reporting Services
		Total	\$581.70		
25689	11/02/20	BARGEN INCORPORATED			
E 101-43100-312		Contractual Services	\$2,925.00	220524	Infrared Heats around Manholes
		Total	\$2,925.00		
25690	11/02/20	BENTON TOWNSHIP			
E 101-43100-312		Contractual Services	\$7,057.50	57	Gravel 134th
E 101-43100-312		Contractual Services	\$6,560.00	58	Dustcoating 134
		Total	\$13,617.50		
25691	11/02/20	CARVER COUNTY			
E 101-42110-310		Other Professional Servic	\$24,773.25	SHERI00346	2nd Half Police Contract
E 101-42110-310		Other Professional Servic	\$250.00	SHERI00347	Background Investigaton Liquor License Cologne Liquor
E 101-42110-310		Other Professional Servic	\$250.00	SHERI00347	Background Investigation Liquor License Cologne House Café
		Total	\$25,273.25		
25692	11/02/20	CENTERPOINT ENERGY			
E 101-45200-383		Gas Utilities	\$32.74		107 John Ave
E 101-43100-383		Gas Utilities	\$17.06		306 Playhouse
E 101-43100-383		Gas Utilities	\$26.24		304 Louis St
E 101-42210-383		Gas Utilities	\$33.32		110 Louis St
		Total	\$109.36		
25693	11/02/20	CINTAS CORPORATION			
E 101-43100-417		Uniforms	\$61.53	4060850155	PW Uniforms
E 101-43100-417		Uniforms	\$19.09	4061467033	PW Uniforms
E 101-43100-417		Uniforms	\$19.09	4062103729	PW Uniforms
E 101-43100-417		Uniforms	\$23.09	4062717173	PW Uniforms
		Total	\$122.80		
25694	11/02/20	ECM PUBLISHERS, INC.			
E 101-41400-350		Print/Publications (GENE	\$90.72	799495	Municipal Election
E 101-41400-350		Print/Publications (GENE	\$75.60	799496	Municipal Election
		Total	\$166.32		

CITY OF COLOGNE

***Check Detail Register©**

Batch: 110220CR

Check #	Check Date	Vendor Name	Amount	Invoice	Comment
25695	11/02/20	HAWKINS, INC			
E 602-49450-216		Chemicals and Chem Pro	\$3,580.04	4816417	Chemicals
		Total	\$3,580.04		
25696	11/02/20	HEALTH PARTNERS			
G 101-21706		Health/Dental Ins	\$5,455.90	100261614	Employee Health Insurance - Nov
		Total	\$5,455.90		
25697	11/02/20	JOHNSON FITNESS & WELLNESS			
E 101-45100-500		Capital Outlay (GENERAL	\$49,363.58	22-049687	Replacement Equipment for Fitness Center after Fire
		Total	\$49,363.58		
25698	11/02/20	JOSTAN SERVICES, INC.			
E 101-45100-401		Repairs/Maint Buildings	\$482.34	7163	CCC Cleaning Oct
E 101-45100-210		Operating Supplies (GEN	\$172.53	7163	Cleaning Supplies
E 101-45100-401		Repairs/Maint Buildings	\$869.74	7230	Fall Window Cleaning
		Total	\$1,524.61		
25699	11/02/20	LANO EQUIPMENT OF NORWOOD			
E 101-43100-404		Repairs/Maint Machinery/	\$156.48	54314	PW Supplies
E 101-43100-404		Repairs/Maint Machinery/	\$337.32	54332	PW Supplies
		Total	\$493.80		
25700	11/02/20	LOFFLER-131511			
E 101-41400-404		Repairs/Maint Machinery/	\$30.88	3545296	October Copy
		Total	\$30.88		
25701	11/02/20	MN VALLEY ELECTRIC COOPERATIVE			
E 602-49470-381		Electric Utilities	\$57.24		2140 N Village Pky
E 101-43160-381		Electric Utilities	\$47.53		2043 Village Pky Light
		Total	\$104.77		
25702	11/02/20	MN VALLEY TESTING LABS			
E 602-49450-311		Analysis	\$157.00		Analysis
E 602-49450-311		Analysis	\$157.00		Analysis
		Total	\$314.00		
25703	11/02/20	NCPERS Group Life Ins			
E 101-41400-130		Employer Paid Ins (GENE	\$48.00		Nov Employee Life Insurance
E 601-49400-130		Employer Paid Ins (GENE	\$16.00		Nov Employee Life Insurance
E 602-49450-130		Employer Paid Ins (GENE	\$16.00		Nov Employee Life Insurance
E 101-43100-130		Employer Paid Ins (GENE	\$16.00		Nov Employee Life Insurance
		Total	\$96.00		
25704	11/02/20	OVERLINE & SONS, INC.			
E 601-49400-500		Capital Outlay (GENERAL	\$1,340.00	910	Vactor Services
E 601-49400-500		Capital Outlay (GENERAL	\$2,596.25	916	Fall Clean 5 Lift Stations
E 601-49400-500		Capital Outlay (GENERAL	\$1,260.00	917	Televising Sewer Line through park
		Total	\$5,196.25		
25705	11/02/20	TIM PLAGGE			

CITY OF COLOGNE

***Check Detail Register©**

Batch: 110220CR

Check #	Check Date	Vendor Name	Amount	Invoice	Comment
G 101-22000		Deposits	\$50.00		Deposit Refund
		Total	\$50.00		
25706	11/02/20	QUALITY FLOW SYSTEMS, INC			
E 602-49450-404		Repairs/Maint Machinery/	\$555.00	39908	Pump Repair
		Total	\$555.00		
25707	11/02/20	RANDYS SANITATION INC			
E 101-45200-384		Refuse/Garbage Disposal	\$110.40		Cologne Lions Park
E 101-41940-384		Refuse/Garbage Disposal	\$222.25		Cologne Public Works
E 101-42210-384		Refuse/Garbage Disposal	\$110.40		CFD
		Total	\$443.05		
25708	11/02/20	THEIN WELL COMPANY INC.			
E 601-49400-312		Contractual Services	\$275.00	7268	Annual Well & Pump Inspection
		Total	\$275.00		
25709	11/02/20	WAGENER, DIANA			
R 101-00000-34793		Gym Fees/Rentals	\$157.50		Canceled COVID 19
G 101-20300		Sales Tax Payable	\$10.83		Canceled COVID 19
G 101-20301		Sales Tax Payable - Trans	\$0.79		Canceled COVID 19
G 101-22000		Deposits	\$50.00		Canceled COVID 19
		Total	\$219.12		
25710	11/02/20	WATER CONSERVATION SERVICE, IN			
E 601-49400-312		Contractual Services	\$851.88	851.88	PW Water Leqak Location
		Total	\$851.88		
25711	11/02/20	WICKENHAUSER EXCAVATING, INC.			
E 101-43100-312		Contractual Services	\$525.00	4164	Hauling Compost
		Total	\$525.00		
25712	11/02/20	WS&D PERMIT SERVICE			
R 101-00000-32210		Building Permits	\$80.00		Permit Cancelled
R 101-00000-32211		Building Permit Surcharge	\$1.00		Permit Cancelled
		Total	\$81.00		
25713	11/02/20	XCEL ENERGY			
E 101-41940-381		Electric Utilities	\$19.16		PW Maintenance Bldg
E 101-42210-381		Electric Utilities	\$314.22		Louis Hall
E 101-43100-381		Electric Utilities	\$155.48		PW Facility
E 101-43160-381		Electric Utilities	\$1,345.83		Street Lights
E 101-45200-381		Electric Utilities	\$120.94		Nighwatch Lions Park
E 601-49400-381		Electric Utilities	\$111.76		Water Tower
E 602-49450-381		Electric Utilities	\$4,413.30		WWTP
E 602-49470-381		Electric Utilities	\$894.72		Lift Stations
E 101-45100-381		Electric Utilities	\$0.00		
		Total	\$7,375.41		
		10100 Checking	\$119,746.92		

CITY OF COLOGNE

10/29/20 12:52 PM

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***Check Detail Register©**

Batch: 110220CR

Check #	Check Date	Vendor Name	Amount	Invoice	Comment
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Fund Summary

10100 Checking

101 GENERAL FUND	\$102,842.51
601 WATER FUND	\$7,053.35
602 SEWER FUND	\$9,851.06
	<hr/>
	\$119,746.92

City of Cologne Payroll
27-Oct-20

Employee		EFT	\$ 10,900.88	October 13, 2020 Payroll
IRS	596	EFT	\$ 3,728.29	October 13, 2020 Payroll
MN Department of Revenue	597	EFT	\$ 625.73	October 13, 2020 Payroll
PERA	598	EFT	\$ 2,060.42	October 13, 2020 Payroll
		Total	\$ 17,315.32	

2021 PROSECUTION CONTRACT

THIS JOINT POWERS AGREEMENT is made and entered into between the Carver County Attorney, the Carver County Board of Commissioners, a political subdivision of the State of Minnesota, and the City of Cologne, a municipal corporation organized under the laws of the State of Minnesota, to provide for prosecution of statutory gross misdemeanor, misdemeanor and petty misdemeanor violations, other than liquor law violations directly involving establishments, organizations or individuals with liquor licenses or permits issued by the City of Cologne and also to provide for prosecution of municipal traffic and parking ordinance violations.

WHEREAS, Minnesota Statutes Section 471.59 authorizes governmental units in the State of Minnesota to enter into agreements by resolution with any other governmental unit to perform on behalf of that unit any service or function which that unit would be authorized to provide for itself; and

WHEREAS, Minnesota Statutes Section 484.87, Subdivision 3, provides that statutory gross misdemeanor, misdemeanor, petty misdemeanor violations and municipal ordinance violations in the counties of Anoka, Carver, Dakota, Scott and Washington shall be prosecuted by the attorney of the municipality where the violation is alleged to have occurred and further provides that municipalities may enter into three party agreements with the County Board and the County Attorney to provide for prosecution services for criminal offenses; and

WHEREAS, each of the parties hereto desires to enter into this Joint Powers Agreement and has, through the actions of its respective governing bodies, been duly authorized to enter into this Joint Powers Agreement for the purposes hereinafter stated;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, it is hereby agreed by and between the County of Carver, through the Board of Commissioners, the Carver County Attorney, and the City of Cologne, through its Council, that:

1. Enabling Authority.

Minnesota Statutes Section 471.59 authorizes two or more governmental units to jointly exercise any power common to the contracting parties. Minnesota Statutes Section 484.87, Subdivision 3 authorizes the City of Cologne to enter into an agreement with the County of Carver and the Office of the Carver County Attorney to provide for prosecution services for criminal offenses.

2. Purpose

Provide for prosecution of statutory gross misdemeanor, misdemeanor and petty misdemeanor violations, other than liquor law violations directly involving establishments, organizations or individuals with liquor licenses or permits issued by the City of Cologne and also to provide for prosecution of municipal traffic and parking ordinance violations.

3. Services.

The Carver County Attorney's Office shall prosecute statutory gross misdemeanor, misdemeanor, petty misdemeanor violations and, any other criminal municipal ordinance violation. The Carver County Attorney shall also prosecute all municipal traffic and parking ordinance violations allegedly occurring within the jurisdiction of the municipality and within Carver County.

4. Term.

Prosecution services shall be rendered by the Carver County Attorney's Office commencing January 1, 2021, and extending through December 31, 2021.

5. Payment for Services.

In consideration for prosecution services being rendered, the County shall collect one-half (1/2) of all funds allocated pursuant to Minnesota Statute Section 484.90, Subdivision 6(a)(1) (fines that the court administers allocates 100% to the fines to the city or town in which the offense was committed) and one-third (1/3) allocated pursuant to Minnesota Statute Section 484.90, Subdivision 6(a)(2) (fines that the court administers allocates two-thirds to the fines to the city or town in which the offense was committed). An additional surcharge calculated on the percentage of cases and fine revenue in the amount of \$1,674.41 is to be paid by the City of Cologne to the Carver County Attorney's Office in four equal installments on/by April 15, 2021, July 15, 2021, October 15, 2021 and January 15, 2022.

6. Ordinances.

The City shall forward current traffic ordinances to the Carver County Attorney's Office and immediately inform the County Attorney of any changes made during the contract period.

7. Data.

All data collected, created, received, maintained or disseminated in any form for any purposes by the activities of this Agreement is governed by the Minnesota Data Practices Act, Minnesota Statute Section 13, or the appropriate Rules of Court and shall only be shared pursuant to laws governing that particular data.

8. Audit.

Pursuant to Minnesota Statute Section 16C.05, Subdivision 5, the parties agree that the State Auditor or any duly authorized representative at that time during normal business hours and as often as they may reasonably deem necessary, shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc. which are pertinent to the

accounting practices and procedures related to this Agreement. All such records shall be maintained for a period of six (6) years from the date of termination of this Agreement.

9. Indemnification.

Each party shall be liable for its own acts to the extent provided by law and hereby agrees to indemnify, hold harmless and defend the other, its officers and employees against any and all liability, loss, costs, damages, expenses, claims or actions, including attorney's fees which the other, its officers and employee may hereafter sustain, incur or be required to pay, arising out of or by reason of any act or omission of the party, its agents, servants or employees, in the execution or performance or failure to adequately perform its obligations pursuant to this Agreement.

It is understood and agreed that liability shall be limited by the provisions of Minnesota Statutes Chapter 466. This Agreement *to* indemnify and hold harmless does not constitute a waiver by any participant *of* limitations on liability provided under Minnesota Statutes Section 466.04.

It is further understood that Minnesota 471.59, Subd. 1a applies to this Agreement. To the full extent permitted by law, actions by the parties pursuant to this Agreement are intended to be and shall be construed as a "cooperative activity" and it is the intent of the parties that they shall be deemed a "single governmental unit" for the purposes of liability, all as set forth in Minnesota Statutes Section 471.59, Subd. 1a(a); provided further that for purposes of that statute, each party to this Agreement expressly declines responsibility for the acts or omissions of the other party.

Each party agrees to promptly notify the other party if it knows or becomes aware of any facts or allegations reasonably giving rise to actual or potential liability, claims, causes of action, judgments, damages, losses, costs or expenses, including attorney's fees, involving or reasonably likely to involve the other party, and arising out of acts or omissions related to this Agreement.

10. Nonwaiver, Severability and Applicable Laws.

Nothing in this Agreement shall constitute a waiver by the parties of any statute of limitation or exceptions on liability.

If any part of this Agreement is deemed invalid such shall not affect the remainder unless it shall substantially impair the value of the Agreement with respect to either party. The parties agree to substitute for the invalid provision a valid one that most closely approximates the intent of the Agreement.

The laws of the State of Minnesota apply to this Agreement.

11. Termination.

This Agreement shall terminate of its own accord without further action taken or notice given by either party at midnight, December 31, 2021.

12. Merger and Modification.

It is understood and agreed that the entire Agreement between the parties is contained herein and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof. All items referred to in this Agreement are incorporated or attached and are deemed to be part of this Agreement.

Any alterations, variations, modifications, or waivers of provisions of this Agreement shall only be valid when they have been reduced to writing as an amendment to this Agreement and signed by the parties hereto.

Space Intentionally Left Blank

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed by its

appropriate officers and with the consent and approval of its appropriate governing bodies.

CITY OF COLOGNE

IN PRESENCE OF:

BY: _____
Mayor

City Administrator

Date: _____

Date: _____

COUNTY ATTORNEY

Mark Metz
Carver County Attorney

Date: _____

IN PRESENCE OF:

COUNTY OF CARVER

BY: _____
Dave Hemze
County Administrator

Date: _____

CITY OF COLOGNE

ORDINANCE NO. 169

AN ORDINANCE GRANTING A FRANCHISE TO CMN-RUS, INC.
TO CONSTRUCT, OPERATE, AND MAINTAIN A CABLE SYSTEM IN THE CITY OF
COLOGNE, MINNESOTA

THE CITY COUNCIL OF THE CITY OF COLOGNE (the "City"), CARVER COUNTY,
MINNESOTA, DOES ORDAIN AS FOLLOWS:

STATEMENT OF INTENT AND PURPOSE

The City intends, by the adoption of this franchise ordinance ("Franchise"), to grant permission
CMN-RUS, INC. ("Grantee"), to construct, operate, and maintain a cable television system
("System") in the City.

Adoption of this Franchise is, in the judgment of the Council, in the best interests of the City, its
residents, and the community.

FINDINGS

In review of the franchise application of Grantee, the City makes the following findings: The
City, having determined that the financial, legal, and technical ability of the Grantee is
reasonably sufficient to provide the services, facilities, and equipment necessary to meet the
future cable-related needs of the community, desires to enter into this Franchise ordinance with
the Grantee for the construction, operation and maintenance of a System on the terms and
conditions set forth herein. Grantee was afforded reasonable notice and reasonable opportunity to
be heard at a public hearing.

SECTION 1.

GRANT OF AUTHORITY AND GENERAL PROVISIONS

1. Required Contents Statute. This Franchise ordinance shall comply with Minn. Stat. §
238.084 governing the required contents of franchise ordinances in the State of
Minnesota. If any part of this ordinance lacks a required clause from Chapter 238, it is
hereby incorporated and all provisions govern as if stated herein. Capitalized terms used
herein that are not defined shall have the meaning ascribed to them in the Cable
Communications Policy Act (47 U.S.C. §521 et. seq.).
2. Franchise Required. It shall be unlawful for any person to construct, operate or maintain a
System or provide cable service in the City unless such person shall first obtain and hold
a valid franchise. The City shall comply with the Minnesota level playing field statute at
Minn. Stat. § 238.08 and any other applicable state or federal level playing field
requirements.

3. Grant of Franchise. This Franchise is granted pursuant to the terms and conditions contained herein.
4. Franchise Area. This Franchise is granted for the corporate boundaries of the City, as it exists from time to time.
5. Petition to Amend Franchise. Notwithstanding any provision to the contrary, if another operator, legally authorized by state or federal law, makes available for purchase by customers ("Subscribers") a cable service or its functional equivalent (including video programming under 47 U.S.C. § 571 (a)(3) or § 573) within the City without a franchise or other similar lawful authorization granted by the City and the City has the lawful authority to require a franchise from that operator, then Grantee shall have the right to petition the City to modify this Franchise and the Grantee and the City shall negotiate said modifications within 120 days.
6. Nonexclusive. This Franchise shall be nonexclusive and the City reserves the right to grant similar use to any person at any time during the term of this Franchise subject to Section 1.2 herein.
7. Franchise Term. This Franchise shall be in effect for a period of fifteen (15) years from the date of acceptance by Grantee, unless sooner renewed, revoked, or terminated as provided herein. This Franchise may be renewed for one additional fifteen (15) year period upon mutual agreement of the City and the Grantee subject to these existing terms and conditions. Both parties hereto do not waive and hereby reserve all rights they have regarding the renewal of the Franchise pursuant to applicable law.
8. Compliance with Applicable Laws, Resolutions and Ordinances. The Grantee shall be subject to any lawful, non-discriminatory exercise of the police power, statutory rights, local ordinance-making authority, and eminent domain rights of the City during the term of this Franchise. This Franchise shall comply with Minnesota franchise standards contained in Minn. Stat. § 238.01 et seq.
9. Conformance with State and Federal Laws and Rules. The City and Grantee shall conform to state laws and rules regarding cable communications no later than one (1) year after they become effective, unless otherwise stated. The City and Grantee shall conform to federal laws and regulations regarding cable services as they become effective. The Grantee agrees to comply with the terms of any lawfully adopted generally applicable local ordinance, to the extent that the provisions of the ordinance do not have the effect of limiting the benefits or expanding the obligations of the Grantee that are granted by this Franchise. Neither party may unilaterally alter the material rights and obligations set forth in this Franchise. In the event of a conflict between any ordinance and this Franchise, the Franchise shall control.
10. Written Notice. Notices, reports, or demands required to be given in writing under this Franchise shall be deemed to be given when delivered personally to Grantee or the City

Administrator of this Franchise upon receipt after it is deposited in the United States mail in a sealed envelope, with registered or certified mail postage prepaid thereon, addressed to the party to whom notice is being given, as follows:

If to City: City of Cologne
Attn: City Administrator
1211 Village Parkway
P.O. Box 120
Cologne, MN 55322

If to Grantee: CMN-RUS, Inc.
Attn: Legal Department
8837 Bond Street
Overland Park, KS 66214

Such addresses may be changed by either party upon notice to the other party given as provided in this Section.

SECTION 2. CONSTRUCTION STANDARDS

1. Construction Codes and Permits.
 - a. Grantee shall obtain all lawful and necessary permits from City before commencing any construction or extension of System, including the opening or disturbance of any right-of-way, or private or public property within City. Grantee shall comply with all state and local laws and building and zoning codes currently or hereafter applicable to location, construction, installation, operation or maintenance of the System in the City and give due consideration to the aesthetics of the property.
 - b. Consistent with its right-of-way ordinances, the City shall have the right to inspect all construction or installation work performed pursuant to the provisions of the Franchise.
 - c. The Grantee shall install and maintain its System and other equipment and facilities in accordance with the National Electric Safety Code, all other applicable federal, state and local laws and regulations, and in such manner that they will not interfere with private radio, police and fire communications or any installations of City or of any public utility serving City.
 - d. The Grantee shall install and maintain the System and all other equipment and facilities in, over, under and upon the rights-of-way, wherever situated or located, in accordance with all right-of-way ordinances, the National Electric Safety Code, all

other applicable federal, state and local laws and regulations, and in a condition so that the same shall not endanger public health or safety.

2. Repair of Rights-of-Way and Property. Consistent all applicable laws governing rights-of-way, any and all rights-of-way or public or private property that are disturbed or damaged during the construction, repair, replacement, relocation, operation, maintenance or reconstruction of the System shall be promptly and fully restored by Grantee. Notwithstanding the foregoing, Grantee shall not be responsible for any damage to any underground facilities that were not properly located in accordance with applicable law or any property improperly placed in any right-of-way or any utility easement.
3. Conditions on Right-of-Way Use.
 - a. Subject to applicable law, nothing in this Franchise shall be construed to prevent City from adopting and enforcing lawful requirements for the usage of rights-of-way or from constructing, maintaining, repairing or relocating sewers; grading, paving, maintaining, repairing, relocating and/or altering any right-of-way; constructing, laying down, repairing, maintaining or relocating any water mains; or constructing, maintaining, relocating, or repairing any sidewalk or other public work.
 - b. If, at any time during the period of this Franchise, City shall elect to alter or change the grade or location of any right-of-way, the Grantee shall, upon reasonable notice and in a manner consistent with applicable ordinances, remove and relocate its poles, wires, cables, conduits, manholes and other fixtures of the System. If the City enters into an agreement to reimburse other occupants of the right-of-way for such relocation or removal, Grantee shall be likewise reimbursed.
 - c. The Grantee shall have the authority to trim any trees upon and overhanging the rights-of-way only to the extent necessary to prevent the branches of such trees from coming in contact with the wires and cables of the Grantee.

SECTION 3. DESIGN PROVISIONS

1. Operation and Maintenance of System. The Grantee shall render good quality Service, make repairs promptly, and interrupt Service only for good cause and for the shortest time possible.
2. Technical Standards. The Grantee shall install a System the meets the applicable technical standards for a fiber optic system as promulgated by the FCC relating to Cable Communications Systems pursuant to the FCC's rules and regulations found at 47 U.S.C. §§ 76.601 - 76.617, as may be amended or modified from time to time, which regulations are expressly incorporated herein by reference.
3. Initial Construction of Cable System. The Grantee shall begin construction within 240 days of the effective date of this Franchise. Construction of the System must proceed at a

rate of not less than 50 plant miles constructed per year of the Franchise term until the City, as it exists at the time this Franchise is granted, is fully constructed with fiber cable. Construction throughout the City must be substantially completed within 5 years of the granting of the Franchise. The timing construction requirements of Minn. Stat. § 238.084, Subd. 1 (m) that are incorporated into this section may be waived by the City only upon occurrence of unforeseen events or acts of God.

4. Density. Grantee shall not be required to extend service to any area of the City unless there is a minimum of forty (40) homes per cable mile as measured from the last fiber node or terminating amplifier.
5. Annexation. In the event of annexation by the City, or as development occurs, any new territory shall become part of the Franchise Area. Grantee shall be given a reasonable period to construct and activate cable plant to service annexed or newly developed areas, upon written notice from the City that annexation has occurred.
6. System Testing. The City may engage any consultant, engineer or expert to perform System testing and review as it deems necessary. The City shall endeavor to so arrange its request for such System testing to minimize hardship or inconvenience to Grantee or to the Subscribers. Where testing is conducted to resolve System performance problems or complaints, the City's costs of such testing shall be borne by the City.

SECTION 4. SERVICES PROVISIONS

1. Regulation of Service Rates.
 - a. The City may regulate rates for the provision of cable service, equipment, or any other communications service provided over the System to the extent allowed under federal or state law(s).
 - b. A list of Grantee's current Subscriber rates, charges, and contract terms (as established by Grantee) shall be available for public inspection. Subscribers will be notified of any changes in rates, programming services or channel positions in accordance with federal law. To the extent required by federal law, notice must be given to Subscribers a minimum of thirty (30) days in advance of such changes if the changes are within the control of the Grantee. Notwithstanding any other provision, Grantee shall not be required to provide prior notice of any rate changes that are a result of a regulatory fee, franchise fee, or other fees, tax, assessment or charge of any kind imposed by any federal agency, state or franchising authority on the transaction between the operator and the Subscriber.
2. Service Complaints. Grantee will maintain an adequate number of local, toll-free or collect call telephone access lines which will be available to its Subscribers 24 hours a day, seven days a week so as to receive Subscriber complaints, requests, and inquiries. During normal business hours, at least 8 a.m. to 5 p.m., and some evening or weekend hours, Grantee shall ensure that trained representatives are available to respond to

Subscriber inquiries.

3. Complaint and Other Service Records. Upon request by the City, Grantee shall prepare written records of all written complaints received and the resolution of such complaints, including the date of such resolution. Such written records shall be on file at the office of Grantee. Grantee shall provide the City with a written summary of such complaints and their resolution and in a form mutually agreeable to City and Grantee.
4. Subscriber Contracts. Grantee shall make available for review by the City any standard form Subscriber contract utilized by Grantee.
5. Refunds and Credits. In the event a Subscriber establishes or terminates Service and receives less than a full month's Service, Grantee shall comply with applicable law regarding refunds or credits.
6. Regional Channel. The VHF Channel 6 is designated for uniform regional channel usage as required in Minnesota Statutes § 238.43.

SECTION 5. OPERATION AND ADMINISTRATION PROVISIONS

1. Access to Records. Subject to Section 5.2 herein, the City shall have the right to inspect any records maintained by Grantee which relate to this Franchise or System operations including, specifically, Grantee's accounting and financial records, subject to the privacy provisions of 47 U.S.C. § 521 et seq. Grantee shall provide copies of any such records upon request by City.
2. Confidential Information and Compliance with Minnesota Data Practices Act. Consistent with applicable law and specifically the Minnesota Data Practices Act (MDPA), as amended, the City agrees to treat as confidential any books, records or maps that constitute proprietary or confidential information to the extent Grantee makes the City aware of such confidentiality. Grantee shall label or mark such "confidential" information. Consistent with the MDPA and applicable law, if the City believes it must release any such confidential books, records, or maps in the course of enforcing this Franchise, or for any other reason, it shall advise Grantee in advance so that Grantee may take appropriate steps to protect its interests. Until otherwise ordered by a court or agency of competent jurisdiction, the City agrees that, to the extent permitted by the MDPA and applicable law, it shall deny access to any of Grantee's books, records, or maps marked confidential, as set forth above, to any person.
3. Franchise Administration. The City Administrator or such other person as may be from time to time designated by the City shall be responsible for the continuing administration of this Franchise.
4. Public Access Channel. Grantee shall provide to each of its Subscribers who receive some or all of the services offered on the system, reception on at least one specially

designated access channel (“Access Channel”). Grantee’s obligation shall be limited to providing the channel capacity for the Access Channel and City or its designee shall provide playback and content for the same. During those times when the Access Channel is not being used by the City, the Grantee may use the Access Channel.

**SECTION 6.
GENERAL FINANCIAL, INSURANCE AND SECURITY PROVISIONS**

1. Indemnification.

- a. The City and its officers, boards, committees, elected officials, employees and agents shall not be liable for any loss or damage to any real or personal property of any person, or for any injury to or death of any person, arising out of or in connection with the construction, operation, maintenance, repair or removal of, or other action or event with respect to the System or as to any other action or event with respect to this Franchise.
- b. Grantee shall indemnify, defend, and hold harmless the City, its officers, boards, committees, elected officials, employees and agents from and against all liability, damages, and penalties which they may legally be required to pay as a result of the actions or omissions of the Grantee operating under this Franchise.
- c. Nothing in this Franchise relieves a person, except the City, from liability arising out of the failure to exercise reasonable care to avoid injuring the Grantee's facilities while performing work connected with grading, regarding, or changing the line of a Right- of-Way or public place or with the construction or reconstruction of a sewer or water system.

2. Insurance.

- a. Grantee shall possess at its acceptance of this Franchise, and at all times thereafter maintain in full force and effect at its sole expense, a comprehensive general liability insurance policy in protection of the Grantee, and the City, its officers, boards, committees, elected officials, employees and agents for any and all damages and penalties which may arise as a result of this Franchise. The policy or policies shall name the City as an additional insured, and in their capacity as such, the City officers, boards, committees, elected officials, employees and agents.
- b. The policies of insurance shall be in the sum of not less than One Million Dollars (\$1,000,000.00) for personal injury or death of any one person, and Two Million Dollars (\$2,000,000.00) for personal injury or death of two or more persons in any one occurrence, One Million Dollars (\$1,000,000.00) for property damage to any one person and Two Million Dollars (\$2,000,000.00) for property damage resulting from any one act or occurrence.
- c. The policy or policies of insurance shall be maintained by Grantee in full force and

effect during the entire term of the Franchise.

3. At the time the Franchise becomes effective and thereafter until the Grantee has liquidated all of its obligation with the City, the Grantee shall furnish a performance bond of \$50,000.00 for damages resulting from the Grantee's nonperformance. In the absence of material default on the part of Grantee, the requisite performance bond shall decrease by 50% each year

SECTION 7. SALE, ABANDONMENT, AND TRANSFER OF FRANCHISE

1. Abandonment of Service. Grantee may not abandon the System or any portion thereof without having first given three (3) months written notice to the City.
2. Removal After Abandonment, Termination or Forfeiture. In the event of termination or forfeiture of the Franchise or abandonment of the System, the City shall have the right to require Grantee to remove all or any portion of the System from all Rights-of-Way and public property within the City.
3. Sale or Transfer of Franchise. No sale, transfer, or fundamental corporate change of or in Grantee, or which creates a new controlling interest in Grantee, including, but not limited to, the sale of a majority of Grantee's assets, consolidation, or the creation of a subsidiary or affiliate entity, shall take place until the parties to the sale, transfer, or corporate change file a written request with the City for its approval and such approval is granted by the City, provided, however, that said approval shall not be required where Grantee grants a security interest in its Franchise and assets to secure an indebtedness. If the Franchise is transferred or sold by Grantee, the City shall have the right to purchase the System pursuant to Minn. Stat §238.084 (1)(y).

SECTION 8. REVOCAION OF FRANCHISE

1. City's Right to Revoke. In addition to all other rights which the City has pursuant to law or equity, the City reserves the right to revoke, terminate or cancel this Franchise, and all rights and privileges pertaining thereto, if it is determined that Grantee has violated any material provision of this Franchise, has made intentional misrepresentations to the City, or has practiced fraud or deceit upon the City of a Subscriber.
2. Procedures.
 - a. The City shall provide the Grantee with written notice of the cause for revocation and its intent to revoke and shall allow Grantee sixty (60) days to cure the violation ("the cure period").
 - b. Grantee shall be provided the right to a public hearing affording due process prior to revocation, which public hearing shall follow the cure period. The City shall provide

the Grantee with written notice of its decision together with written findings of fact supplementing said decision.

- c. After such public hearing and release of written findings, the City may revoke the Franchise. Grantee may appeal such revocation to a court or agency of competent jurisdiction.
- d. During the appeal period, Grantee may continue to operate the System pursuant to the terms and conditions of the Franchise, unless the term thereof sooner expires.

SECTION 9. PROTECTION OF INDIVIDUAL RIGHTS

1. Discriminatory Practices Prohibited. Grantee shall not deny service, deny access, or otherwise discriminate against Subscribers or general citizens on the basis of race, color, religion, national origin, sex, age, status as to public assistance, affectional preference, or disability. Grantee shall comply with all other applicable federal, state, and local laws, and all executive and administrative orders relating to nondiscrimination.
2. Subscriber Privacy.
 - a. Grantee shall comply with the Subscriber privacy-related requirements of 47 U.S.C. § 551. No signals including signals of a Class IV Channel may be transmitted from a Subscriber terminal for purposes of monitoring individual viewing patterns or practices without the express written permission of the Subscriber. Such written permission shall be for a limited period not to exceed one (1) year which may be renewed at the option of the Subscriber. No penalty shall be invoked for a Subscriber's failure to provide or renew such authorization. The authorization shall be revocable at any time by the Subscriber without penalty of any kind whatsoever. Such permission shall be required for each type or classification of Class IV Channel activity planned for the purpose of monitoring individual viewing patterns or practices.
 - b. No lists of the names and addresses of Subscribers or any lists that identify the viewing habits of Subscribers shall be sold or otherwise made available to any party other than to Grantee and its employees for internal business use, and also to the Subscriber subject of that information, unless Grantee has received specific written authorization from the Subscriber to make such data available. Such written permission shall be for a limited period not to exceed one (1) year which may be renewed at the option of the Subscriber. No penalty shall be invoked for a Subscriber's failure to provide or renew such authorization. The authorization shall be revocable at any time by the Subscriber without penalty of any kind whatsoever.
 - c. Written permission from the Subscriber shall not be required for the conducting of System wide or individually addressed electronic sweeps for the purpose of verifying System integrity or monitoring for the purpose of billing. Confidentiality of such

information shall be subject to the provision set forth in Subparagraph (b) of this Section.

**SECTION 10.
FEE**

1. Franchise Fee.

- a. The City may require Grantee to pay a Franchise Fee of up to five percent (5%) of its annual Gross Revenues to the City. Within 60 days of notice from City, Grantee shall begin collecting and paying such Franchise Fee. "Gross Revenues" means all revenue received directly or indirectly by the Grantee from the operation of its System to provide Basic Cable Service. Gross Revenues shall not include bad debt, or any taxes on services furnished by Grantee which are imposed by any municipality, state, or other governmental unit and collected by Grantee for such governmental unit.
- b. Payments shall be payable annually. Payments shall be made within sixty (60) days of the end of each of each calendar year together with a report in a form reasonably acceptable to City that shows the basis for the computation. All amounts paid shall be subject to audit and recomputation by the City and acceptance of any payment shall not be construed as an accord that the amount paid is in fact the correct amount.
- c. Any fee must be adopted by separate ordinance. If no separate ordinance is adopted to address a fee, then no fee is required.

**SECTION 11.
PUBLICATION EFFECTIVE DATE; ACCEPTANCE AND EXIBITS**

1. Publication: Effective Date. This Ordinance shall be published in accordance with applicable local and Minnesota law. A summary of this ordinance may be published and constitute sufficient public notice. The effective date of this Franchise shall be the date of acceptance by Grantee.

Passed and adopted by the City Council of the City of Cologne on the _____ day of _____, 2020.

Matt Lein
Mayor

Attested:

Michelle Morrison
City Clerk

AGREEMENT AND SIGNATURE ADDENDUM

ACCEPTED: The undersigned Grantee, CMN-RUS, Inc. accepts this Franchise and agrees to be bound by its terms and conditions.

CMN-RUS, Inc.

By: _____

Its: _____

Date: _____

CITY OF COLOGNE

ORDINANCE NO. 170

AN ORDINANCE GRANTING A FRANCHISE TO NUVERA COMMUNICATIONS, INC. TO CONSTRUCT, OPERATE, AND MAINTAIN A CABLE SYSTEM IN THE CITY OF COLOGNE, MINNESOTA

THE CITY COUNCIL OF THE CITY OF COLOGNE (the "City"), CARVER COUNTY, MINNESOTA, DOES ORDAIN AS FOLLOWS:

STATEMENT OF INTENT AND PURPOSE

The City intends, by the adoption of this franchise ordinance ("Franchise"), to grant permission NUVERA COMMUNICATIONS, INC. ("Grantee"), to construct, operate, and maintain a cable television system ("System") in the City.

Adoption of this Franchise is, in the judgment of the Council, in the best interests of the City, its residents, and the community.

FINDINGS

In review of the franchise application of Grantee, the City makes the following findings: The City, having determined that the financial, legal, and technical ability of the Grantee is reasonably sufficient to provide the services, facilities, and equipment necessary to meet the future cable-related needs of the community, desires to enter into this Franchise ordinance with the Grantee for the construction, operation and maintenance of a System on the terms and conditions set forth herein. Grantee was afforded reasonable notice and reasonable opportunity to be heard at a public hearing.

SECTION 1.

GRANT OF AUTHORITY AND GENERAL PROVISIONS

1. Required Contents Statute. This Franchise ordinance shall comply with Minn. Stat. § 238.084 governing the required contents of franchise ordinances in the State of Minnesota. If any part of this ordinance lacks a required clause from Chapter 238, it is hereby incorporated and all provisions govern as if stated herein. Capitalized terms used herein that are not defined shall have the meaning ascribed to them in the Cable Communications Policy Act (47 U.S.C. §521 et. seq.).
2. Franchise Required. It shall be unlawful for any person to construct, operate or maintain a System or provide cable service in the City unless such person shall first obtain and hold a valid franchise. The City shall comply with the Minnesota level playing field statute at Minn. Stat. § 238.08 and any other applicable state or federal level playing field requirements.

3. Grant of Franchise. This Franchise is granted pursuant to the terms and conditions contained herein.
4. Franchise Area. This Franchise is granted for the corporate boundaries of the City, as it exists from time to time.
5. Petition to Amend Franchise. Notwithstanding any provision to the contrary, if another operator, legally authorized by state or federal law, makes available for purchase by customers ("Subscribers") a cable service or its functional equivalent (including video programming under 47 U.S.C. § 571 (a)(3) or § 573) within the City without a franchise or other similar lawful authorization granted by the City and the City has the lawful authority to require a franchise from that operator, then Grantee shall have the right to petition the City to modify this Franchise and the Grantee and the City shall negotiate said modifications within 120 days.
6. Nonexclusive. This Franchise shall be nonexclusive and the City reserves the right to grant similar use to any person at any time during the term of this Franchise subject to Section 1.2 herein.
7. Franchise Term. This Franchise shall be in effect for a period of fifteen (15) years from the date of acceptance by Grantee, unless sooner renewed, revoked, or terminated as provided herein. This Franchise may be renewed for one additional fifteen (15) year period upon mutual agreement of the City and the Grantee subject to these existing terms and conditions. Both parties hereto do not waive and hereby reserve all rights they have regarding the renewal of the Franchise pursuant to applicable law.
8. Compliance with Applicable Laws, Resolutions and Ordinances. The Grantee shall be subject to any lawful, non-discriminatory exercise of the police power, statutory rights, local ordinance-making authority, and eminent domain rights of the City during the term of this Franchise. This Franchise shall comply with Minnesota franchise standards contained in Minn. Stat. § 238.01 et seq.
9. Conformance with State and Federal Laws and Rules. The City and Grantee shall conform to state laws and rules regarding cable communications no later than one (1) year after they become effective, unless otherwise stated. The City and Grantee shall conform to federal laws and regulations regarding cable services as they become effective. The Grantee agrees to comply with the terms of any lawfully adopted generally applicable local ordinance, to the extent that the provisions of the ordinance do not have the effect of limiting the benefits or expanding the obligations of the Grantee that are granted by this Franchise. Neither party may unilaterally alter the material rights and obligations set forth in this Franchise. In the event of a conflict between any ordinance and this Franchise, the Franchise shall control.
10. Written Notice. Notices, reports, or demands required to be given in writing under this Franchise shall be deemed to be given when delivered personally to Grantee or the City

Administrator of this Franchise upon receipt after it is deposited in the United States mail in a sealed envelope, with registered or certified mail postage prepaid thereon, addressed to the party to whom notice is being given, as follows:

If to City: City of Cologne
Attn: City Administrator
1211 Village Parkway
P.O. Box 120
Cologne, MN 55322

If to Grantee: Nuvera Communications, Inc.
27 N. Minnesota Street
New Ulm, MN 56073
ATTN: Kathy Lund

Such addresses may be changed by either party upon notice to the other party given as provided in this Section.

SECTION 2. CONSTRUCTION STANDARDS

1. Construction Codes and Permits.
 - a. Grantee shall obtain all lawful and necessary permits from City before commencing any construction or extension of System, including the opening or disturbance of any right-of-way, or private or public property within City. Grantee shall comply with all state and local laws and building and zoning codes currently or hereafter applicable to location, construction, installation, operation or maintenance of the System in the City and give due consideration to the aesthetics of the property.
 - b. Consistent with its right-of-way ordinances, the City shall have the right to inspect all construction or installation work performed pursuant to the provisions of the Franchise.
 - c. The Grantee shall install and maintain its System and other equipment and facilities in accordance with the National Electric Safety Code, all other applicable federal, state and local laws and regulations, and in such manner that they will not interfere with private radio, police and fire communications or any installations of City or of any public utility serving City.
 - d. The Grantee shall install and maintain the System and all other equipment and facilities in, over, under and upon the rights-of-way, wherever situated or located, in accordance with all right-of-way ordinances, the National Electric Safety Code, all

other applicable federal, state and local laws and regulations, and in a condition so that the same shall not endanger public health or safety.

2. Repair of Rights-of-Way and Property. Consistent all applicable laws governing rights-of-way, any and all rights-of-way or public or private property that are disturbed or damaged during the construction, repair, replacement, relocation, operation, maintenance or reconstruction of the System shall be promptly and fully restored by Grantee.
3. Conditions on Right-of-Way Use.
 - a. Subject to applicable law, nothing in this Franchise shall be construed to prevent City from adopting and enforcing lawful requirements for the usage of rights-of-way or from constructing, maintaining, repairing or relocating sewers; grading, paving, maintaining, repairing, relocating and/or altering any right-of-way; constructing, laying down, repairing, maintaining or relocating any water mains; or constructing, maintaining, relocating, or repairing any sidewalk or other public work.
 - b. If, at any time during the period of this Franchise, City shall elect to alter or change the grade or location of any right-of-way, the Grantee shall, upon reasonable notice and in a manner consistent with applicable ordinances, remove and relocate its poles, wires, cables, conduits, manholes and other fixtures of the System. If the City enters into an agreement to reimburse other occupants of the right-of-way for such relocation or removal, Grantee shall be likewise reimbursed.
 - c. The Grantee shall have the authority to trim any trees upon and overhanging the rights-of-way only to the extent necessary to prevent the branches of such trees from coming in contact with the wires and cables of the Grantee.

SECTION 3. DESIGN PROVISIONS

1. Operation and Maintenance of System. The Grantee shall render good quality Service, make repairs promptly, and interrupt Service only for good cause and for the shortest time possible.
2. Technical Standards. The Grantee shall install a System the meets the applicable technical standards for a fiber optic system as promulgated by the FCC relating to Cable Communications Systems pursuant to the FCC's rules and regulations found at 47 U.S.C. §§ 76.601 - 76.617, as may be amended or modified from time to time, which regulations are expressly incorporated herein by reference.
3. Initial Construction of Cable System. The Grantee shall begin construction within 240 days of the effective date of this Franchise. Construction of the System must proceed at a rate of not less than 50 plant miles constructed per year of the Franchise term until the City, as it exists at the time this Franchise is granted, is fully constructed with fiber cable. Construction throughout the City must be substantially completed within 5 years of the

granting of the Franchise. The timing construction requirements of Minn. Stat. § 238.084, Subd. 1 (m) that are incorporated into this section may be waived by the City only upon occurrence of unforeseen events or acts of God.

4. Density. Grantee shall not be required to extend service to any area of the City unless there is a minimum of forty (40) homes per cable mile as measured from the last fiber node or terminating amplifier.
5. Annexation. In the event of annexation by the City, or as development occurs, any new territory shall become part of the Franchise Area. Grantee shall be given a reasonable period to construct and activate cable plant to service annexed or newly developed areas, upon written notice from the City that annexation has occurred.
6. System Testing. The City may engage any consultant, engineer or expert to perform System testing and review as it deems necessary. The City shall endeavor to so arrange its request for such System testing to minimize hardship or inconvenience to Grantee or to the Subscribers. Where testing is conducted to resolve System performance problems or complaints, the City's costs of such testing shall be borne by the City.

SECTION 4. SERVICES PROVISIONS

1. Regulation of Service Rates.
 - a. The City may regulate rates for the provision of cable service, equipment, or any other communications service provided over the System to the extent allowed under federal or state law(s).
 - b. A list of Grantee's current Subscriber rates, charges, and contract terms (as established by Grantee) shall be available for public inspection. Subscribers will be notified of any changes in rates, programming services or channel positions in accordance with federal law. To the extent required by federal law, notice must be given to Subscribers a minimum of thirty (30) days in advance of such changes if the changes are within the control of the Grantee. Notwithstanding any other provision, Grantee shall not be required to provide prior notice of any rate changes that are a result of a regulatory fee, franchise fee, or other fees, tax, assessment or charge of any kind imposed by any federal agency, state or franchising authority on the transaction between the operator and the Subscriber.
2. Service Complaints. Grantee will maintain an adequate number of local, toll-free or collect call telephone access lines which will be available to its Subscribers 24 hours a day, seven days a week so as to receive Subscriber complaints, requests, and inquiries. During normal business hours, at least 8 a.m. to 5 p.m., and some evening or weekend hours, Grantee shall ensure that trained representatives are available to respond to Subscriber inquiries.
3. Complaint and Other Service Records. Upon request by the City, Grantee shall prepare

written records of all written complaints received and the resolution of such complaints, including the date of such resolution. Such written records shall be on file at the office of Grantee. Grantee shall provide the City with a written summary of such complaints and their resolution and in a form mutually agreeable to City and Grantee.

4. Subscriber Contracts. Grantee shall make available for review by the City any standard form Subscriber contract utilized by Grantee.
5. Refunds and Credits. In the event a Subscriber establishes or terminates Service and receives less than a full month's Service, Grantee shall comply with applicable law regarding refunds or credits.
6. Regional Channel. The VHF Channel 6 is designated for uniform regional channel usage as required in Minnesota Statutes § 238.43.

SECTION 5. OPERATION AND ADMINISTRATION PROVISIONS

1. Access to Records. Subject to Section 5.2 herein, the City shall have the right to inspect any records maintained by Grantee which relate to this Franchise or System operations including, specifically, Grantee's accounting and financial records, subject to the privacy provisions of 47 U.S.C. § 521 et seq. Grantee shall provide copies of any such records upon request by City.
2. Confidential Information and Compliance with Minnesota Data Practices Act. Consistent with applicable law and specifically the Minnesota Data Practices Act (MDPA), as amended, the City agrees to treat as confidential any books, records or maps that constitute proprietary or confidential information to the extent Grantee makes the City aware of such confidentiality. Grantee shall label or mark such "confidential" information. Consistent with the MDPA and applicable law, if the City believes it must release any such confidential books, records, or maps in the course of enforcing this Franchise, or for any other reason, it shall advise Grantee in advance so that Grantee may take appropriate steps to protect its interests. Until otherwise ordered by a court or agency of competent jurisdiction, the City agrees that, to the extent permitted by the MDPA and applicable law, it shall deny access to any of Grantee's books, records, or maps marked confidential, as set forth above, to any person.
3. Franchise Administration. The City Administrator or such other person as may be from time to time designated by the City shall be responsible for the continuing administration of this Franchise.
4. Public Access Channel. Grantee shall provide to each of its Subscribers who receive some or all of the services offered on the system, reception on at least one specially designated access channel ("Access Channel"). Grantee's obligation shall be limited to providing the channel capacity for the Access Channel and City or its designee shall provide playback and content for the same. During those times when the Access Channel

is not being used by the City, the Grantee may use the Access Channel.

SECTION 6.
GENERAL FINANCIAL, INSURANCE AND SECURITY PROVISIONS

1. Indemnification.

- a. The City and its officers, boards, committees, elected officials, employees and agents shall not be liable for any loss or damage to any real or personal property of any person, or for any injury to or death of any person, arising out of or in connection with the construction, operation, maintenance, repair or removal of, or other action or event with respect to the System or as to any other action or event with respect to this Franchise.
- b. Grantee shall indemnify, defend, and hold harmless the City, its officers, boards, committees, elected officials, employees and agents from and against all liability, damages, and penalties which they may legally be required to pay as a result of the actions or omissions of the Grantee operating under this Franchise.
- c. Nothing in this Franchise relieves a person, except the City, from liability arising out of the failure to exercise reasonable care to avoid injuring the Grantee's facilities while performing work connected with grading, regarding, or changing the line of a Right- of-Way or public place or with the construction or reconstruction of a sewer or water system.

2. Insurance.

- a. Grantee shall possess at its acceptance of this Franchise, and at all times thereafter maintain in full force and effect at its sole expense, a comprehensive general liability insurance policy in protection of the Grantee, and the City, its officers, boards, committees, elected officials, employees and agents for any and all damages and penalties which may arise as a result of this Franchise. The policy or policies shall name the City as an additional insured, and in their capacity as such, the City officers, boards, committees, elected officials, employees and agents.
- b. The policies of insurance shall be in the sum of not less than One Million Dollars (\$1,000,000.00) for personal injury or death of any one person, and Two Million Dollars (\$2,000,000.00) for personal injury or death of two or more persons in any one occurrence, One Million Dollars (\$1,000,000.00) for property damage to any one person and Two Million Dollars (\$2,000,000.00) for property damage resulting from any one act or occurrence.
- c. The policy or policies of insurance shall be maintained by Grantee in full force and effect during the entire term of the Franchise.

3. At the time the Franchise becomes effective and thereafter until the Grantee has

liquidated all of its obligation with the City, the Grantee shall furnish a performance bond, certificate of deposit, or other type of instrument approved by the City in an amount as the City deems to be adequate compensation for damages resulting from the Grantee's nonperformance. The City may, from year to year and in its sole discretion, reduce the amount of the performance bond or instrument.

**SECTION 7.
SALE, ABANDONMENT, AND TRANSFER OF FRANCHISE**

1. Abandonment of Service. Grantee may not abandon the System or any portion thereof without having first given three (3) months written notice to the City.
2. Removal After Abandonment, Termination or Forfeiture. In the event of termination or forfeiture of the Franchise or abandonment of the System, the City shall have the right to require Grantee to remove all or any portion of the System from all Rights-of-Way and public property within the City.
3. Sale or Transfer of Franchise. No sale, transfer, or fundamental corporate change of or in Grantee, or which creates a new controlling interest in Grantee, including, but not limited to, the sale of a majority of Grantee's assets, consolidation, or the creation of a subsidiary or affiliate entity, shall take place until the parties to the sale, transfer, or corporate change file a written request with the City for its approval and such approval is granted by the City, provided, however, that said approval shall not be required where Grantee grants a security interest in its Franchise and assets to secure an indebtedness. If the Franchise is transferred or sold by Grantee, the City shall have the right to purchase the System pursuant to Minn. Stat §238.084 (1)(y).

**SECTION 8.
REVOCAION OF FRANCHISE**

1. City's Right to Revoke. In addition to all other rights which the City has pursuant to law or equity, the City reserves the right to revoke, terminate or cancel this Franchise, and all rights and privileges pertaining thereto, if it is determined that Grantee has violated any material provision of this Franchise, has made intentional misrepresentations to the City, or has practiced fraud or deceit upon the City of a Subscriber.
2. Procedures.
 - a. The City shall provide the Grantee with written notice of the cause for revocation and its intent to revoke and shall allow Grantee sixty (60) days to cure the violation ("the cure period").
 - b. Grantee shall be provided the right to a public hearing affording due process prior to revocation, which public hearing shall follow the cure period. The City shall provide the Grantee with written notice of its decision together with written findings of fact supplementing said decision.

- c. After such public hearing and release of written findings, the City may revoke the Franchise. Grantee may appeal such revocation to a court or agency of competent jurisdiction.
- d. During the appeal period, Grantee may continue to operate the System pursuant to the terms and conditions of the Franchise, unless the term thereof sooner expires.

**SECTION 9.
PROTECTION OF INDIVIDUAL RIGHTS**

1. Discriminatory Practices Prohibited. Grantee shall not deny service, deny access, or otherwise discriminate against Subscribers or general citizens on the basis of race, color, religion, national origin, sex, age, status as to public assistance, affectional preference, or disability. Grantee shall comply with all other applicable federal, state, and local laws, and all executive and administrative orders relating to nondiscrimination.
2. Subscriber Privacy.
 - a. Grantee shall comply with the Subscriber privacy-related requirements of 47 U.S.C. § 551. No signals including signals of a Class IV Channel may be transmitted from a Subscriber terminal for purposes of monitoring individual viewing patterns or practices without the express written permission of the Subscriber. Such written permission shall be for a limited period not to exceed one (1) year which may be renewed at the option of the Subscriber. No penalty shall be invoked for a Subscriber's failure to provide or renew such authorization. The authorization shall be revocable at any time by the Subscriber without penalty of any kind whatsoever. Such permission shall be required for each type or classification of Class IV Channel activity planned for the purpose of monitoring individual viewing patterns or practices.
 - b. No lists of the names and addresses of Subscribers or any lists that identify the viewing habits of Subscribers shall be sold or otherwise made available to any party other than to Grantee and its employees for internal business use, and also to the Subscriber subject of that information, unless Grantee has received specific written authorization from the Subscriber to make such data available. Such written permission shall be for a limited period not to exceed one (1) year which may be renewed at the option of the Subscriber. No penalty shall be invoked for a Subscriber's failure to provide or renew such authorization. The authorization shall be revocable at any time by the Subscriber without penalty of any kind whatsoever.
 - c. Written permission from the Subscriber shall not be required for the conducting of System wide or individually addressed electronic sweeps for the purpose of verifying System integrity or monitoring for the purpose of billing. Confidentiality of such information shall be subject to the provision set forth in Subparagraph (b) of this Section.

**SECTION 10.
FEE**

1. Franchise Fee.

- a. The City may require Grantee to pay a Franchise Fee of up to five percent (5%) of its annual Gross Revenues to the City. Within 60 days of notice from City, Grantee shall begin collecting and paying such Franchise Fee. "Gross Revenues" means all revenue received directly or indirectly by the Grantee from the operation of its System to provide Basic Cable Service. Gross Revenues shall not include bad debt, or any taxes on services furnished by Grantee which are imposed by any municipality, state, or other governmental unit and collected by Grantee for such governmental unit.
- b. Payments shall be payable annually. Payments shall be made within sixty (60) days of the end of each of each calendar year together with a report in a form reasonably acceptable to City that shows the basis for the computation. All amounts paid shall be subject to audit and recomputation by the City and acceptance of any payment shall not be construed as an accord that the amount paid is in fact the correct amount.
- c. Any fee must be adopted by separate ordinance. If no separate ordinance is adopted to address a fee, then no fee is required.

**SECTION 11.
PUBLICATION EFFECTIVE DATE; ACCEPTANCE AND EXIBITS**

1. Publication: Effective Date. This Ordinance shall be published in accordance with applicable local and Minnesota law. A summary of this ordinance may be published and constitute sufficient public notice. The effective date of this Franchise shall be the date of acceptance by Grantee.

Passed and adopted by the City Council of the City of Cologne on the ____ day of _____, 2020.

Matt Lein
Mayor

Attested:

Michelle Morrison
City Clerk

AGREEMENT AND SIGNATURE ADDENDUM

ACCEPTED: The undersigned Grantee, Nuvera Communications, Inc. accepts this Franchise and agrees to be bound by its terms and conditions.

Nuvera Communications, Inc.

By: _____

Its: _____

Date: _____

RE: Water, Sewer and Storm Sewer Rate Study

DATE: September 25, 2020

This Scope Appendix is attached by reference to the above named engagement letter (the “Engagement Letter”) between the City of Cologne, MN (the “Client”) and Baker Tilly US, LLP and relates to services to be provided by Baker Tilly US, LLP.

Scope of Work

Baker Tilly US, LLP (“BTUS”) will perform the following services:

The purpose of this study is to assist the City of Cologne in evaluating the financial operations of the Water, Sewer and Storm Sewer Funds to determine the necessary level of user rates that will provide adequate cash flow to pay for anticipated capital expenditures, anticipated future operating and maintenance expenses, debt service including principal and interest, utility improvements, asset replacement, and adequate cash reserves. Rate recommendations will reflect recent cost experience as well as anticipated future costs during the nominal period for which rates are projected.

Task 1

Review Background Information

- Review historical financial information, volumetric rates, basic facility charges, connection fees, trunk charges, contractual charges and other fees and charges that provide sources of revenue for each Fund
 - Review current and historical billing data for each Fund
 - Review current funding practices, funding sources and policies related to financing capital improvements
 - Review and update the City's capital improvement plan identifying the sources of funding for each improvement
 - Review ordinances, policies and practices related to user fees, connection fees and other charges for services
 - Review the historical growth of the customer base and projections for anticipated growth
 - Review any engineering studies, cost of services studies and other relevant studies related to each Fund
- Analyze information and develop recommendations for a preliminary cost of service analysis for the Funds
- Analyze the information to identify any omissions and/or inconsistencies and collect additional information, as needed
 - Develop projected customer growth and future service demands based upon the existing systems and anticipated growth; run sensitivity analysis to anticipate rate increases at various growth projections

**Task 2
Conduct Study**

Develop financial projections of the Water, Sewer and Storm Sewer Funds that integrate all anticipated revenue sources, including interest on the cash balance, anticipated operating expenditures including existing and projected new depreciation, anticipated capital expenditures, existing debt service, projected debt service for identified projects and changes in the customer base over the planning period:

- Develop a ten-year forecast of revenues and expenditures to determine the adequacy of revenues provided by existing rates
- Evaluate the impact of anticipated capital improvement financing options on rates, fees and charges
- Develop recommendations for the financing of the anticipated capital improvements based on the above impact analysis
- Identify the overall change in revenue required to provide for adequate funding for major capital improvement programs, to meet all recurring annual operating and capital expenditures, to cover all debt service requirements, and to maintain sufficient cash balances and capital reserves (as defined by the City). The projections will be made using an income statement approach and will include a yearly cash flow analysis
- Develop preliminary rate schedules that provide revenue recovery at levels necessary to support the Utility's operation as defined above.
- Rate schedules for the Water Utility will assume the current block rates commodity charge and fixed fee billing structure
- Perform a sensitivity analysis to illustrate the impacts of adverse assumption changes (e.g. future growth, operating costs, depreciation funding levels)
- If we make a recommendation to increase rates or charges, Baker Tilly will:
 - Evaluate and compare the proposed fee structure with the current fee structure and with the fee structure of five other similarly sized local government utility operations in the area
 - Prepare sample bills for customers from representative customer classes, comparing existing rates and charges to proposed rates and charges

**Task 3
Prepare Draft Report**




Baker Tilly will prepare a Draft Report of Findings that will contain our findings and recommendations. This review document will form the core of our final report. We will submit one electronic copy to the City for their review and comment. We will meet to review and discuss the Draft Report. Based on our discussion and review of the Draft Report, Baker Tilly will make modifications or changes, incorporating the City's comments into the final report, as appropriate.

Deliverables

Final Report and presentation via Zoom summarizing our analysis in a City regular or workshop session.

Project Team

Your engagement team consists of dedicated professionals who are utility and public sector specialists as well as experienced business advisors, who understand your needs, are proactive in identifying issues and creative and flexible in providing solutions. Each member of this team is deeply committed to providing you with Exceptional Client Service. The following tables describe the roles and qualifications of your engagement team members.

Project Manager	Nicholas Dragisich, P.E., Firm Director
	Qualifications: Nick is team leader for BTMA's financial management practice. He has more than 30 years of management experience, including service as a city administrator, assistant city manager and city engineer. As the Assistant City Manager – Operations for Spokane, Washington, his departments included Capital Programs Planning/G.I.S., Engineering Services, Real Estate, Building Codes, Environmental Programs, General Services, Planning, Solid Waste Collection and Recycling, Transportation, Wastewater and Stormwater Management, and Water and Hydroelectricity. He joined Baker Tilly in 2000 and became the management consulting services practice group leader in 2003. Nick has been directly responsible for or involved in numerous utility rate studies and cost analyses, long-range financial planning models, organizational management studies, staffing analyses, fiscal impact studies, as well as developing many Excel®-based computer models for clients in California, Iowa, Illinois, Indiana, Kansas, Maryland, Minnesota, Montana, Missouri, Nebraska, New York, North Carolina, North Dakota, Texas, Utah, Virginia, Washington and Wisconsin. He holds a Master of Business Administration, a bachelor's degree in civil engineering and is a licensed professional engineer in Minnesota and Washington. Nick is also MSRB Municipal Advisor Series 50 Qualified.
Project Support	Patty Kettles, Director
	Qualifications: Patty has more than 24 years of experience working with BTMA clients on various projects, including performing utility rate analyses and financial feasibilities, financing options, capital improvement programming and debt management. Patty holds a Master of Business Administration from the University of St. Thomas and a Bachelor of Science degree in Finance from the University of Minnesota. She is also MSRB Municipal Advisor Series 50 Qualified.
Project Support	Matt Stark, Manager
	Qualifications: Matt Stark is a manager with Baker Tilly's municipal advisory team. With the firm since 2002, he applies his analytical expertise to new challenges within the fields of community surveys, operational finance and economic development. He provides technical assistance on community surveys, and has developed a variety of tools for financial planning and cost-benefit analysis of tax incentives on economic development projects. Since 2015, Matt has served as the primary analytical resource for Baker Tilly's scientific survey group, applying his talents to survey structure and language, methodology, analysis, and presentation of responses. Matt holds a degree in Physics from Penn State University.

Client Responsibilities

In order to conduct this study, the City will need to designate a staff member to serve as a project manager. This person will be responsible for assisting Baker Tilly with gathering accurate and timely data needed to complete the project and to assist in arranging for required meetings. At a minimum the following information will be needed to complete the study:

- Copy of your most recent and previous two years Comprehensive Annual Financial Reports
- Copy of your current and previous two years budgets including revenues and expenditures for each Fund
- A list of the anticipated capital expenditures for the current year indicating item to be purchased or the expenditure to be made, amount, and anticipated funding source
- Met Council's 2021 wastewater charge estimate
- A listing of all anticipated capital expenditures for the planning period 2021 through the 2031 indicating item to be purchased, amount, and anticipated funding source
- Copy of your current depreciation schedule and depreciable life use for various assets
- Copies of any current policies related to capital expenditures and/or funding for them including special assessments
- Copies of any current policies related to fund balances and/or cash balances
- Listing of outstanding debt, i.e. bonds, equipment certificates, lease-purchase agreements to be repaid from each Fund
- Information about utility sales in terms of volumes and fee revenue for each of your customer classes
- Customer billing information including the number of accounts by customer type
- Information related to the anticipated growth in both residential and commercial/industrial utility sales during the planning period
- Projected connection fee revenue
- Current schedule user fees and charges
- Copies of any engineering studies, cost of services studies and other relevant studies related to each Fund and this study

Anticipated Schedule

We will complete the Study within 8-10 weeks of receiving the requested information. The timeline provided assumes that all necessary information is made available to Baker Tilly in a timely manner and that City staff is available for required meetings. This draft schedule does not anticipate any unforeseen delays or other circumstances that would result in a later completion date.

Compensation and Invoicing

Baker Tilly proposes to complete this study as described for the lump sum fee of \$15,500 exclusive of any out-of-pocket expenses such as travel and copying.

**SCOPE APPENDIX to
Engagement Letter dated: September 25, 2020
Between the City of Cologne, MN and
Baker Tilly US, LLP**

If additional work is requested and authorized by the Client that is outside of the scope of services or required due to situations discussed herein, Client will be notified and it will be invoiced at our standard hourly rates, shown below:

Title	2020 Hourly Rate
Principal and Partner	\$300
Director and Senior Manager	\$260
Manager and Senior Staff	\$215
Staff	\$165
Associates	\$75

Conflicts of Interest

Attachment A to the Engagement Letter contains important disclosure information that is applicable to this Scope Appendix.

We are unaware of any additional conflicts of interest related to this Scope Appendix that exist at this time.

Termination

This Scope Appendix will terminate according to the terms of the Engagement Letter.

If this Scope Appendix is acceptable, please sign below and return one copy to us for our files. We look forward to working with you on this important project.

Sincerely,

Signature Section:

The services and terms as set forth in this Scope Appendix are agreed to on behalf of the Client by:

Name: _____

Title: _____

Date: _____